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United States General Accounting Office
Washington, DC 20548

MAR 31 2003

The Honorable John Warner
Chairman
The Honorable Carl Levin
Ranking Minority Member
Committee on Armed Services
United States Senate

The Honorable Duncan Hunter
Chairman
The Honorable Ike Skelton
Ranking Minority Member
Committee on Armed Services
House of Representatives

Subject: GAO Review of the Department of Defense's Advertising and Recruiting

This letter confirms our commitment to study the Department of Defense's advertising and recruiting programs based on the direction to the Comptroller General in the Senate Committee Report on the National Defense Authorization Act for fiscal year 2003.

In our November 21, 2002, letter to you, we outlined our approach to designing the study. Based on that design and as agreed in discussions with your committee staffs on February 28, 2003, we will complete our work and issue a report to you by September 19, 2003. The enclosure to this letter sets forth the understanding reached with your staffs on the key aspects of the study.

We look forward to working with you and your staff on this assignment. Should you have any questions, please contact me on (202) 512-5559 or stewartd@gao.gov, or John Pendleton, Assistant Director, on (404) 679-1816 or pendletonj@gao.gov.

Derek B. Stewart

Derek B. Stewart
Director, Defense Capabilities and Management

Enclosure: Terms of the Work

cc: Dick Walsh, Senate Majority Staff
Gary Leeling, Senate Minority Staff
Mike Higgins, House Majority Staff
Debra Wada, House Minority Staff

Terms of the Work

Objectives/Key Questions

The objective is to determine the cost-effectiveness of DOD's advertising programs in meeting recruiting outcomes. The key questions are the following:

- (1) How do the Office of the Secretary of Defense and the services justify their recruiting and advertising programs to Congress?
- (2) How do the Office of the Secretary of Defense and the services measure the effectiveness of their advertising programs?
- (3) To what extent do the services use the most effective advertising mediums to achieve their recruiting goals?
- (4) What is the relationship between recruiting and advertising budgets and recruiting outcomes?

Scope

Our work covers the Office of the Secretary of Defense; the joint advertising, market research and studies program; each active duty service; and the reserve components. Our work will be conducted at the recruiting and advertising office for each service, component, and the joint office, as well as at the locations of the services' advertising contractors. We will also contact industry experts as needed.

Methodology

We plan to (1) meet with advertising staffs from the active services, joint program, and the reserve and National Guard components to find out why advertising funding has increased; (2) meet with the contractors for each service and component to review their advertising campaigns and types of media being used; (3) obtain and review budget information, recruitment goals, and number of accessions; (4) analyze data provided and compare trends across all services and components; and (5) review any metrics used to measure the effectiveness of advertising.

Our work will be done in accordance with generally accepted government accounting standards (GAGAS).

Product Type

We will provide a briefing to the committee staffs on DOD's advertising programs and will then issue a more detailed report at the end of our engagement. We will obtain comments from DOD on a written draft of this product prior to its issuance.

Enclosure
Terms of the Work

Product Delivery Date(s)

We will be prepared to brief the committee staffs by March 31, 2003, on budget trends and other related information and will issue a final report by September 19, 2003.

Reporting on Job Status

We met with your committee staffs on February 28, 2003, and will continue to keep them informed of any issues identified prior to issuing our final report.